

The complaint

Mr A complains about the quality of a car supplied to him by Volkswagen Financial Services (UK) Limited trading as Skoda Financial Services (“VWFS”).

What happened

I sent Mr A and VWFS my provisional findings on this complaint on 22 August 2024. A copy of that decision is attached and forms part of this final decision.

I explained why I was planning to uphold Mr A’s complaint and asked both parties to let me know if they had anything to add.

Mr A agreed with my provisional decision. VWFS didn’t respond to my provisional decision.

What I’ve decided – and why

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

As Mr A has agreed and VWFS didn’t respond, I see no reason to depart from my provisional findings. So my final decision is the same as my provisional decision, for the same reasons and I am upholding Mr A’s complaint.

My final decision

My final decision is that I uphold Mr A’s complaint. Volkswagen Financial Services (UK) Limited trading as Skoda Financial Services should put things right by doing the following:

- Pay Mr A for any recovery costs and diagnostic reports associated to the faults he has complained about, upon Mr A providing Volkswagen Financial Services (UK) Limited trading as Skoda Financial Services with relevant receipts or invoices;
- Pay Mr A 8% simple interest on these amounts from the date of each payment until the date of settlement*;
- Pay Mr A £350 for the distress and inconvenience caused**; and
- Amend any adverse information reported to credit reference agencies about this hire agreement.

*If Volkswagen Financial Services (UK) Limited trading as Skoda Financial Services considers that it is required by HM Revenue & Customs to withhold income tax from that interest, it should tell Mr A how much it’s taken off. It should also give Mr A a tax deduction certificate if he asks for one, so he can reclaim the tax from HM Revenue & Customs if appropriate.

** If Volkswagen Financial Services (UK) Limited trading as Skoda Financial Services does not pay this £350 compensation for distress and inconvenience within 28 days of the date on which we tell it Mr A accepts my final decision then it must also pay 8% simple yearly interest on this from the date of my final decision to the date of payment.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 7 October 2024.

Sonia Ahmed
Ombudsman